



General Assembly

February Session, 2014

Raised Bill No. 5510

LCO No. 2082



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT PROVIDING A LIMITED PROPERTY TAX EXEMPTION FOR HOMES UNDER CONSTRUCTION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-53a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2014, and*
3 *applicable to assessment years commencing on and after said date*):

4 (a) (1) [Completed] Except as provided in subdivision (3) of this
5 subsection, new construction of real estate completed after any
6 assessment date shall be liable for the payment of municipal taxes
7 based on the assessed value of such completed new construction from
8 the date the certificate of occupancy is issued or the date on which
9 such new construction is first used for the purpose for which same was
10 constructed, whichever is [the] earlier, prorated for the assessment
11 year in which the new construction is completed. Said prorated tax
12 shall be computed on the basis of the rate of tax applicable with respect
13 to such property, including the applicable rate of tax in any tax district
14 in which such property is subject to tax following completion of such
15 new construction, on the date such property becomes liable for such

16 prorated tax in accordance with this section.

17 (2) [Partially] Except as provided in subdivision (3) of this
18 subsection, partially completed new construction of real estate shall be
19 liable for the payment of municipal taxes based on the assessed value
20 of such partially completed new construction as of October first of the
21 assessment year.

22 (3) Completed or partially completed new construction of any one-
23 to-four family residential real estate shall not be liable for the payment
24 of municipal taxes until the date one year after the date on which (A) a
25 building permit is issued, (B) a certificate of occupancy is issued, or (C)
26 the real estate is sold, whichever is later, prorated for the assessment
27 year in which the construction becomes liable for such payment. Real
28 property shall be assessed exclusive of such construction until the
29 construction is liable for such payment.

30 (b) The building inspector issuing the certificate or permit shall,
31 within ten days after issuing the same, notify, in writing, the assessor
32 of the town in which the property is situated.

33 (c) Not later than ninety days after receipt by the assessor of such
34 notice from the building inspector or from a determination by the
35 assessor that such new construction is being used for the purpose for
36 which same was constructed or has become liable for the payment of
37 municipal taxes, the assessor shall determine the increment by which
38 assessment for the completed construction exceeds the assessment on
39 the taxable grand list for the immediately preceding assessment date.
40 [He] The assessor shall prorate such amount from the date of issuance
41 of the certificate of occupancy, [or] the date on which such new
42 construction was first used for the purpose for which same was
43 constructed or the date on which such new construction became liable
44 for the payment of municipal taxes, as the case may be, to the
45 assessment date immediately following and shall add said increment
46 as so prorated to the taxable grand list for the immediately preceding

47 assessment date and shall within five days notify the record owner as
48 appearing on such grand list and the tax collector of the municipality
49 of such additional assessment. Such notice shall include information
50 describing the manner in which an appeal may be filed with the board
51 of assessment appeals. Notwithstanding the provisions of this
52 subsection, for new construction completed or liable for taxation after
53 October first but before February first in any assessment year, the
54 assessor shall, not later than ninety days after completion of the duties
55 of the board of assessment appeals, determine the increment in
56 accordance with this subsection.

57 (d) Any person claiming to be aggrieved by the action of the
58 assessor hereunder may appeal the doings of the assessor to the board
59 of assessment appeals and the Superior Court as otherwise provided in
60 this chapter; provided such appeal shall be extended in time to the
61 next succeeding board of assessment appeals, if the statutory period
62 for the meeting of such board has passed. Any person [,] intending to
63 so appeal [,] may indicate that taxes paid by [him] such person upon
64 the prorated increment herein specified during the pendency of such
65 appeal are paid "Under Protest" and thereupon [he] such person shall
66 not be liable for any interest on the taxes based upon such prorated
67 increment, provided [he] such person shall have paid not less than
68 seventy-five per cent of the amount of such taxes within the time
69 specified.

70 (e) Upon receipt of such notice from the assessor, the tax collector of
71 the town shall, if such notice is received after the normal billing date,
72 within thirty days thereafter mail or hand a bill to the owner based
73 upon an amount prorated by the assessor. Such tax shall be due and
74 payable and collectible as other municipal taxes and subject to the
75 same liens and processes of collection, [,] provided such tax shall be
76 due and payable in an initial or single installment due and payable not
77 sooner than thirty days after the date such bill is mailed or handed to
78 the owner, and in any remaining, regular installments, as the same are
79 due and payable, and the several installments of a tax so due and

80 payable shall be equal.

81 (f) Nothing herein shall be deemed to authorize the collection of
82 taxes twice in respect of the land upon which the new construction is
83 located.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014, and applicable to assessment years commencing on and after said date</i>	12-53a

Statement of Purpose:

To exempt certain homes under construction from property tax assessment until one year after a building permit is issued, a certificate of occupancy is issued or the home is sold, whichever is later.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]